

DRUG & ALCOHOL TESTING SPB19-0172MR-C

THIS CONTRACT is entered into by and between the State of Montana, Department of Administration, State Procurement Bureau, (State), whose address and phone number are PO Box 200135 Helena, MT 59620, 406-444-2725 and Compliance Monitoring Systems, LLC, (Contractor), whose address and phone number are 2809 Great Northern Loop, Suite 200, Missoula, MT 59808 and 406-529-1789.

1. EFFECTIVE DATE, DURATION, AND RENEWAL

1.1 Contract Term. The Contract's initial term is July 1, 2019 through June 30, 2021, unless terminated earlier as provided in this Contract. In no event is this Contract binding on State unless State's authorized representative has signed it. Neither the legal counsel signature approving legal content of the Contract nor the procurement officer signature approving the form of the Contract constitutes an authorized signature.

1.2 Contract Renewal. State may renew this Contract under its then-existing terms and conditions (subject to potential cost adjustments described below in section 2) in 2-year intervals, or any interval that is advantageous to State. This Contract, including any renewals, may not exceed a total of seven years.

2. COST ADJUSTMENTS

2.1 Cost Increase by Mutual Agreement. After the Contract's initial term and if State agrees to a renewal, the parties may agree upon a cost increase. State is not obligated to agree upon a renewal or a cost increase. Any cost increases must be based on demonstrated industry-wide or regional increases in Contractor's costs. Publications such as the Federal Bureau of Labor Statistics and the Consumer Price Index (CPI) for all Urban Consumers may be used to determine the increased value.

3. SERVICES AND/OR SUPPLIES

Contractor shall provide state agencies drug and alcohol testing services, including but not limited to:

- ⌚ Urinalysis
- ⌚ Observed Collection Services
- ⌚ Breath Alcohol Testing
- ⌚ Split Sample Testing
- ⌚ Oral Fluid/Swabbing
- ⌚ Hair Strand/Hair Follicle
- ⌚ Sweat Patch Testing
- ⌚ SCRAM Bracelet
- ⌚ Instant Testing
- ⌚ Mobile Collection Services
- ⌚ Consultation and Training Services as Listed below:
 - ⌚ The laboratory's corporate account manager (or designee) must be available during regular business hours to the participating agency contact to answer questions and resolve problems. The Contractor shall bill each participating state agency separately for testing and record keeping services rendered.
 - ⌚ Arrange and assist in providing expert testimony on all matters related to Reasonable Suspicion training and Drug and Alcohol Testing on an as-needed basis by participating state agencies. Contractor shall make arrangements to provide these services through ChemNet.
 - ⌚ Upon request, prepare a litigation package to include copies of all COC documents, batch specimen review sheets, gas chromatography/mass spectrometry (GC/MS) data review file (graphic charts), resumes and credentials of all technicians involved in testing of specimens, laboratory testing reports to include the initial immunoassay screen and the confirmation gas

chromatography/mass spectrometry test.

- ⌚ Reasonable Suspicion training must be provided on a six-month basis or as requested.
- ⌚ Consultation services shall be provided by the Contractor only on a pre-approved basis at the request of the participating agency contact or designee. Upon receipt of an acceptable invoice with supporting documentation, the requesting agency will reimburse the Contractor for authorized travel costs based upon established State lodging and per diem rates. The Contractor is responsible for splitting travel expenses proportionately between all participating agencies if more than one agency participates in one consultation. Detailed rate information may be found at <http://doa.mt.gov/doatravel/default.mcp.x>.
- ⌚ The participating state agency has the option to review all training materials prior to use.

⌚

3.1 Contractor Reporting Requirement. Contractor shall submit quarterly reports to the Contracts Officer (CO) assigned by the State to manage this contract. Contractor shall provide CO with an electronic usage report (Excel), which must list the following information at the minimum: purchasing entity; description of items purchased; date of purchase; contract price; and the extended price for each transaction. These reports are due no more than 45 days after the end of the quarter.

First Quarter: July 1 through September 30

Second Quarter: October 1 through December 31

Third Quarter: January 1 through March 31

Fourth Quarter: April 1 through June 30.

Reports are not required for quarterly period which there was no contract activity.

Failure to provide reports in a timely manner may result in suspension from the Contract. Consistent failure to provide reports per this clause may result in termination of Contract.

3.2 Montana Administrative Fee. Effective upon execution of services completed under this Contract, the State of Montana assesses an administrative fee of one and one-half percent (1.50%) for all net sales (sales less credits) made under this Contract. The prices paid to Contractor must include the 1.5% Administrative Fee. The Contractor shall remit this administrative fee concurrent with the Required Usage Reporting described above. The administrative fee must be submitted by ACH along with email notification to the CO.

4. WARRANTIES

4.2 Warranty of Services. Contractor warrants that the services provided conform to the Contract requirements, including all descriptions, specifications and attachments made a part of this Contract. State's acceptance of services provided by Contractor shall not relieve Contractor from its obligations under this warranty. In addition to its other remedies under this Contract, at law, or in equity, State may require Contractor to promptly correct, at Contractor's expense, any services failing to meet Contractor's warranty herein. Services corrected by Contractor shall be subject to all the provisions of this Contract in the manner and to the same extent as services originally furnished.

5. CONSIDERATION/PAYMENT

5.1 Payment Schedule. In consideration of the drug and alcohol testing services to be provided, State shall pay Contractor according to the schedule in Attachment A.

5.2 Withholding of Payment. In addition to its other remedies under this Contract, at law, or in equity, State may withhold payments to Contractor if Contractor has breached this Contract. Such withholding may not be greater than, in the aggregate, 15% of the total value of the services provided or applicable contract.

5.3 Payment Terms. Unless otherwise noted in the solicitation document, State has thirty (30) days to pay invoices, as allowed by 17-8-242, MCA. Contractor shall provide banking information at the time of Contract execution in order to facilitate State's electronic funds transfer payments.

5.4 Reference to Contract. The Contract number MUST appear on all invoices, packing lists, packages, and correspondence pertaining to the Contract. If the number is not provided, State is not obligated to pay the invoice.

6. COOPERATIVE PURCHASING

Under Montana law, public procurement units, as defined in 18-4-401, MCA, have the option of cooperatively purchasing with State of Montana. Public procurement units are defined as local or state public procurement units of this or any other state, including an agency of the United States, or a tribal procurement unit. Unless the bidder/offeror objects, in writing, to State Procurement Bureau prior to the award of this Contract, the prices, terms, and conditions of this Contract will be offered to these public procurement units. However, State Procurement Bureau makes no guarantee of any public procurement unit participation in this Contract.

7. NON-EXCLUSIVE CONTRACT

The intent of this Contract is to provide state agencies with an expedited means of procuring supplies and/or services. This Contract is for the convenience of state agencies and is considered by State to be a "Non-exclusive" use contract. Therefore, agencies may obtain this product/service from sources other than the Contract holder(s) as long as they comply with Title 18, MCA, and their delegation agreement. State does not guarantee any usage.

8. PREVAILING WAGE REQUIREMENTS

8.1 Montana Resident Preference. The nature of the work performed, or services provided, under this Contract meets the statutory definition of a "public works contract" in 18-2-401, MCA. Unless superseded by federal law, Montana law requires that contractors and subcontractors give preference to the employment of Montana residents for any public works contract in excess of \$25,000 for construction or nonconstruction services. Contractor shall abide by the requirements set out in 18-2-401 through 18-2-432, MCA, and all administrative rules adopted under these statutes.

The Commissioner of the Montana Department of Labor and Industry has established the resident requirements in accordance with 18-2-403 and 18-2-409, MCA. Any and all questions concerning prevailing wage and Montana resident issues should be directed to the Montana Department of Labor and Industry.

8.2 Standard Prevailing Rate of Wages. In addition, unless superseded by federal law, all employees working on a public works contract must be paid prevailing wage rates in accordance with 18-2-401 through 18-2-432, MCA, and all associated administrative rules. Montana law requires that all public works contracts, as defined in 18-2-401, MCA, in which the total cost of the contract is greater than \$25,000, contain a provision stating for each job classification the standard prevailing wage rate, including fringe benefits, travel, per diem, and zone pay that the contractors, subcontractors, and employers shall pay during the public works contract.

The standard prevailing rate of wages paid to workers under this Contract must be adjusted 12 months after the date of the award of the public works contract per 18-2-417, MCA. The amount of the adjustment must be a 3% increase. The adjustment must be made and applied every 12 months for the term of the Contract. This adjustment is the sole responsibility of Contractor and no cost adjustment in this Contract will be allowed to fulfill this requirement.

8.3 Notice of Wages and Benefits. Furthermore, 18-2-406, MCA, requires that all contractors, subcontractors, and employers who are performing work or providing services under a public works contract post in a prominent and accessible site on the project staging area or work area, no later than the first day of work and continuing for the entire duration of the contract, a legible statement of all wages and fringe benefits to be paid to the employees in compliance with 18-2-423, MCA.

8.4 Wage Rates, Pay Schedule, and Records. 18-2-423, MCA, requires that employees receiving an hourly wage must be paid on a weekly basis. Each contractor, subcontractor, and employer shall maintain payroll records in a manner readily capable of being certified for submission under 18-2-423, MCA, for not less than three years after the contractor's, subcontractor's, or employer's completion of work on the public works contract.

All contractors and employers shall classify each employee who performs labor on a public works project according to the applicable standard prevailing rate of wages for such craft, classification, or type of employee established by the Commissioner of the Montana Department of Labor and Industry, and shall pay each such employee a rate of wages not less than the standard prevailing rate as specified in the Montana Prevailing Wages Rates for non-construction services 2019.

9. ACCESS AND RETENTION OF RECORDS

9.1 Access to Records. Contractor shall provide State, Legislative Auditor, or their authorized agents access to any records necessary to determine Contract compliance. State may terminate this Contract under section 18, Contract Termination, without incurring liability, for Contractor's refusal to allow access as required by this section. (18-1-118, MCA.)

9.2 Retention Period. Contractor shall create and retain all records supporting the drug and alcohol testing services for a period of eight years after either the completion date of this Contract or termination of the Contract.

10. ASSIGNMENT, TRANSFER, AND SUBCONTRACTING

Contractor may not assign, transfer, or subcontract any portion of this Contract without State's prior written consent. (18-4-141, MCA) Contractor is responsible to State for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by Contractor. No contractual relationships exist between any subcontractor and State under this Contract.

11. HOLD HARMLESS/INDEMNIFICATION

Contractor agrees to protect, defend, and save State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of Contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of Contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of State, under this Contract.

12. REQUIRED INSURANCE

12.1 General Requirements. Contractor shall maintain for the duration of this Contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by Contractor, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

12.2 Primary Insurance. Contractor's insurance coverage shall be primary insurance with respect to State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by State, its officers, officials, employees, or volunteers shall be excess of Contractor's insurance and shall not contribute with it.

12.3 Specific Requirements for Commercial General Liability. Contractor shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for liability arising out of activities performed by or on behalf of Contractor, including the insured's general supervision of Contractor, products, and completed operations, and the premises owned, leased, occupied, or used.

12.4 Specific Requirements for Automobile Liability. Contractor shall purchase and maintain coverage with split limits of \$500,000 per person (personal injury), \$1,000,000 per accident occurrence (personal injury), and \$100,000 per accident occurrence (property damage), OR combined single limits of \$1,000,000 per occurrence to cover such claims as may be caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for automobiles leased, owned, or borrowed by Contractor.

12.5 Specific Requirements for Professional Liability. Contractor shall purchase and maintain occurrence coverage with combined single limits for each wrongful act of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors. Note: If "occurrence" coverage is unavailable or cost prohibitive, Contractor may provide "claims made" coverage provided the following conditions are met: (1) the commencement date of this Contract must not fall outside the effective date of insurance coverage and it will be the retroactive date for insurance coverage in future years; and (2) the claims made policy must have a three-year tail for claims that are made (filed) after the cancellation or expiration date of the policy.

12.6 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by State. At the request of State either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects State, its officers, officials, employees, or volunteers; or (2) at the expense of Contractor, Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

12.7 Certificate of Insurance/Endorsements. A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverages has been received by State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135. *The certificates must name the State of Montana as certificate holder and Contractor shall provide copies of additional insured endorsements required by Contractor's commercial general liability and automobile liability policies.* Contractor must notify State immediately of any material change in insurance coverage, such as changes in limits, coverages, change in status of policy, etc. State reserves the right to require complete copies of insurance policies at all times.

12.8 Specific Requirements for Cyber/Data Information Security Insurance. The Contractor shall purchase and maintain cyber/information security insurance coverage with combined single limits for each wrongful act of \$2,000,000 per occurrence to cover the unauthorized acquisition of personal information such as social security numbers, credit card numbers, financial account information, or other information that uniquely identifies an individual and may be of a sensitive nature in accordance with §2-6-1501, MCA through §2-6-1503, MCA. If the Contractor maintains higher limits than the minimums shown above, the State requires and shall be entitled to coverage for the higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the State. Such insurance must cover, at a minimum, privacy notification costs, credit monitoring, forensics investigations, legal fees/costs, regulatory fines and penalties, and third party liability settlements or judgments as may be caused by any act, omission, or negligence of the Contractor's officers, agents, representatives, assigns or subcontractors. Note: If occurrence coverage is unavailable or cost-prohibitive, the State will accept 'claims made' coverage provided the following conditions are met: 1) the retroactive date must be shown, and must be before the date of the contract or the beginning of contract work; 2) insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the contract of work; and 3) if coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of three (3) years after completion of work.

13. COMPLIANCE WITH WORKERS' COMPENSATION ACT

Contractor shall comply with the provisions of the Montana Workers' Compensation Act while performing work for State of Montana in accordance with 39-71-401, 39-71-405, and 39-71-417, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither Contractor nor its employees are State employees. This insurance/exemption must be valid for the entire Contract term and any renewal. Upon expiration, a renewal document must be sent to State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135.

14. COMPLIANCE WITH LAWS

Contractor shall, in performance of work under this Contract, fully comply with all applicable federal, state, or local laws, rules, regulations, and executive orders including but not limited to, the Montana Human Rights Act, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Contractor is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119]. Any subletting or subcontracting by Contractor subjects subcontractors to the same provisions. In accordance with 49-3-207, MCA, and Executive Order No. 04-2016. Contractor agrees that the hiring of persons to perform this Contract will be made on the basis of merit and qualifications and there will be no discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status by the persons performing this Contract.

15. COMPLIANCE WITH DARK MONEY SPENDING DISCLOSURE REQUIREMENTS

Contractor shall comply with the provisions of the State of Montana Executive Order No. 15-2018. Contractor shall annually submit a declaration form to the contract liaison. Declaration forms can be found at: https://vendorresources.mt.gov/Portals/121/vendor_resources/EO_DECLARATION%20FORM.pdf?ver=2018-09-13-100259-243.

Contractor shall also annually submit a disclosure form to the contract liaison as required. Disclosure forms can be found at:

http://vendorresources.mt.gov/Portals/121/vendor_resources/Dark_Money_Disclosure_Template.xlsm.

All disclosures must be submitted to (insert agency contact information), for reporting on <https://transparency.mt.gov/>. Failure to comply with these requirements may result in contract termination. Contractor agrees that such a failure is a material breach of this Contract.

16. DISABILITY ACCOMMODATIONS

State does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals who need aids, alternative document formats, or services for effective communications or other disability related accommodations in the programs and services offered are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

17. TECHNOLOGY ACCESS FOR BLIND OR VISUALLY IMPAIRED

Contractor acknowledges that no state funds may be expended for the purchase of information technology equipment and software for use by employees, program participants, or members of the public unless it provides blind or visually impaired individuals with access, including interactive use of the equipment and services, that is equivalent to that provided to individuals who are not blind or visually impaired. (18-5-603, MCA) Contact the State Procurement Bureau at (406) 444-2575 for more information concerning nonvisual access standards.

18. REGISTRATION WITH THE SECRETARY OF STATE

Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are domiciled in another state or country, but which are conducting activity in Montana, must determine whether they are transacting business in Montana in accordance with 35-1-1026 and 35-8-1001, MCA. Such businesses may want to obtain the guidance of their attorney or accountant to determine whether their activity is considered transacting business.

If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain registration materials, call the Office of the Secretary of State at (406) 444-3665, or visit their website at <http://sos.mt.gov>.

19. CONTRACT TERMINATION

19.1 Termination for Cause with Notice to Cure Requirement. State may terminate this Contract in whole or in part for Contractor's failure to materially perform any of the services, duties, terms, or conditions contained in this Contract after giving Contractor written notice of the stated failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 30 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

19.2 Termination for Cause with Notice to Cure Requirement. Contractor may terminate this Contract for State's failure to perform any of its duties under this Contract after giving State written notice of the failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 30 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

19.3 Reduction of Funding. State must, by law, terminate this Contract if funds are not appropriated or otherwise made available to support State's continuation of performance of this Contract in a subsequent fiscal period. (18-4-313(4), MCA) If state or federal government funds are not appropriated or otherwise made available through the state budgeting process to support continued performance of this Contract (whether at an initial contract payment level or any contract increases to that initial level) in subsequent fiscal periods, State shall terminate this Contract as required by law. State shall provide Contractor the date State's termination

shall take effect. State shall not be liable to Contractor for any payment that would have been payable had the Contract not been terminated under this provision. As stated above, State shall be liable to Contractor only for the payment, or prorated portion of that payment, owed to Contractor up to the date State's termination takes effect. This is Contractor's sole remedy. State shall not be liable to Contractor for any other payments or damages arising from termination under this section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

20. EVENT OF BREACH – REMEDIES

20.1 Event of Breach by Contractor. Any one or more of the following Contractor acts or omissions constitute an event of material breach under this Contract:

- ⌚ Products or services furnished fail to conform to any requirement;
- ⌚ Failure to submit any report required by this Contract;
- ⌚ Failure to perform any of the other terms and conditions of this Contract, including but not limited to beginning work under this Contract without prior State approval or breaching section 25.1, Technical or Contractual Problems, obligations; or
- ⌚ Voluntary or involuntary bankruptcy or receivership.

20.2 Event of Breach by State. State's failure to perform any material terms or conditions of this Contract constitutes an event of breach.

20.3 Actions in Event of Breach. Upon Contractor's material breach, State may:

- ⌚ Terminate this Contract under Section 19.1, Termination for Cause and pursue any of its remedies under this Contract, at law, or in equity; or
- ⌚ Treat this Contract as materially breached and pursue any of its remedies under this Contract, at law, or in equity.

Upon State's material breach, Contractor may:

- ⌚ Terminate this Contract under section 19.2, Termination for Cause with Notice to Cure, and pursue any of its remedies under this Contract, at law, or in equity; or
- ⌚ Treat this Contract as materially breached and, except as the remedy is limited in this Contract, pursue any of its remedies under this Contract, at law, or in equity.

21. FORCE MAJEURE

Neither party is responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party uses its best efforts to remedy such failure or delays. A party affected by a force majeure condition shall provide written notice to the other party within a reasonable time of the onset of the condition. In no event, however, shall the notice be provided later than five working days after the onset. If the notice is not provided within the five-day period, then a party may not claim a force majeure event. A force majeure condition suspends a party's obligations under this Contract, unless the parties mutually agree that the obligation is excused because of the condition.

22. WAIVER OF BREACH

Either party's failure to enforce any contract provisions after any event of breach is not a waiver of its right to enforce the provisions and exercise appropriate remedies if the breach occurs again. Neither party may assert the defense of waiver in these situations.

23. CONFORMANCE WITH CONTRACT

No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the Contract shall be granted without the State Procurement Bureau's prior written consent. Product or services provided that do not conform to the Contract terms, conditions, and specifications may be rejected and returned at Contractor's expense.

24. LIAISONS AND SERVICE OF NOTICES

24.1 Contract Liaisons. All project management and coordination on State's behalf must be through a single point of contact designated as State's liaison. Contractor shall designate a liaison that will provide the single point of contact for management and coordination of Contractor's work. All work performed under this Contract must be coordinated between State's liaison and Contractor's liaison.

Mandy Rambo is State's liaison
PO Box 200135
Helena, MT 59620
406-444-2516
Mandy.Rambo@mt.gov

Jodine Tarbert is Contractor's liaison
2809 Great Northern Loop, Suite 200
Missoula, MT 59808
406-529-1789
jodine@compliancemonitoringsystems.com

24.2 Notifications. State's liaison and Contractor's liaison may be changed by written notice to the other party. Written notices, requests, or complaints must first be directed to the liaison. Notice may be provided by personal service, mail, or email. If notice is provided by personal service or email, the notice is effective upon receipt; if notice is provided by mail, the notice is effective within three business days of mailing.

25. MEETINGS

25.1 Technical or Contractual Problems. Contractor shall meet with State's personnel, or designated representatives, to resolve technical or contractual problems occurring during the Contract term or to discuss the progress made by Contractor and State in the performance of their respective obligations, at no additional cost to the State. State may request the meetings as problems arise and will be coordinated by State. State shall provide Contractor a minimum of three full working days' notice of meeting date, time, and location. Face-to-face meetings are desired; however, at Contractor's option and expense, a conference call meeting may be substituted. Contractor's consistent failure to participate in problem resolution meetings, Contractor missing or rescheduling two consecutive meetings, or Contractor's failure to make a good faith effort to resolve problems may result in termination of the Contract.

26. TRANSITION ASSISTANCE

If this Contract is not renewed at the end of this term, if the Contract is otherwise terminated before project completion, or if particular work on a project is terminated for any reason, Contractor shall provide transition assistance for a reasonable, mutually agreed period of time after the expiration or termination of this Contract or particular work under this Contract. The purpose of this assistance is to allow for the expired or terminated portion of the services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to State or its designees. The parties agree that such transition assistance is governed by the terms and conditions of this Contract, except for those terms or conditions that do not reasonably apply to such transition assistance. State shall pay Contractor for any resources utilized in performing such transition assistance at the most current Contract rates. If State terminates a project or this Contract for cause, then State may offset the cost of paying Contractor for the additional resources Contractor utilized in providing transition assistance with any damages State may have sustained as a result of Contractor's breach.

27. CHOICE OF LAW AND VENUE

Montana law governs this Contract. The parties agree that any litigation concerning this bid, proposal, or this Contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees.

28. TAX EXEMPTION

State of Montana is exempt from Federal Excise Taxes (#81-0302402) except as otherwise provided in the federal Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119].

29. PERSONAL PROPERTY TAX

All personal property taxes will be paid by the Contractor.

30. AUTHORITY

This Contract is issued under authority of Title 18, Montana Code Annotated, and the Administrative Rules of Montana, Title 2, chapter 5.

31. SEVERABILITY

A declaration by any court or any other binding legal source that any provision of the Contract is illegal and void shall not affect the legality and enforceability of any other provision of the Contract, unless the provisions are mutually and materially dependent.

32. SCOPE, ENTIRE AGREEMENT, AND AMENDMENT

32.1 Contract. This Contract consists of 11 numbered pages, any Attachments as required, Solicitation # SPB-RFP-2019-0172MR as amended, and Contractor's response, as amended. In the case of dispute or ambiguity arising between or among the documents, the order of precedence of document interpretation is the same.

32.2 Entire Agreement. These documents are the entire agreement of the parties. They supersede all prior agreements, representations, and understandings. Any amendment or modification must be in a written agreement signed by the parties.

33. WAIVER

State's waiver of any Contractor obligation or responsibility in a specific situation is not a waiver in a future similar situation or is not a waiver of any other Contractor obligation or responsibility.

34. EXECUTION

The parties through their authorized agents have executed this Contract on the dates set out below.

STATE OF MONTANA
Department of Administration
PO Box 200135
Helena, MT 59620

COMPLIANCE MONITORING SYSTEMS, LLC
2809 Great Northern Loop, Suite 200
Missoula, MT 59608
FEDERAL ID # 26-3472127

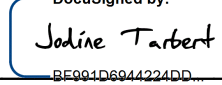
BY: Cheryl Grey, Administrator
(Name/Title)

DocuSigned by:

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(Signature)

DATE: 6/26/2019

BY: Jodine Tarbert CEO
(Name/Title)

DocuSigned by:

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(Signature)

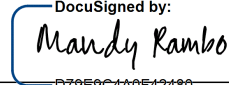
6/26/2019

Approved as to Legal Content:

DocuSigned by:

8E2DE9861B4E4EF...
6/25/2019
Legal Counsel (Date)

Approved as to Form:

DocuSigned by:

D79E9C4A0F42480...
6/25/2019
Procurement Officer (Date)
State Procurement Bureau

Attachment A

Pricing Schedule

MDT/DOT Urinalysis – 5 Panel required by 49 CFR part 40 and 382	CMS will comply with cost in contract SPB19-0172MR-A
Non-DOT Urinalysis (not observed. Provide pricing for all panels below) 5 panel 6 panel 7 panel 8 panel 9 panel 10 panel 11 panel	CMS will comply with cost in contract SPB19-0172MR-A
CFSD Urinalysis (observation required. Provide pricing for all panels below) 5 panel 6 panel 7 panel 8 panel 9 panel 10 panel	<div style="display: flex; align-items: center;"> <div style="margin-right: 20px;"> \$25 \$25 \$35 \$35 \$35 \$40 </div> <div> Tests can be confirmed by GC/MS for \$25 for each individual drug panel. </div> </div>

11 panel	\$40
Breath Alcohol Testing (EBT)	\$30 + additional \$20 for confirmation
Split Sample Testing	No additional cost
Oral Fluid (Swabbing)	\$20 for instant Additional \$40 for laboratory confirmation
Hair Strand/Hair Follicle Testing (provide pricing for all panels below) 5 panel 9 panel 12 panel 14 panel	\$95 \$99 \$119 \$250
Sweat Patch Testing	\$70 per patch
SCRAM Bracelet	\$9.50 per day
Instant Testing	\$10 - \$20 depending on panel requested
Mobile Service Fee – initial testing (note: mobile service requires Offeror to ensure same-gender professionals)	During business hours: - \$20 + mileage if within 10 miles - \$30 + mileage if greater than 10 miles After hours: - \$50 + mileage
Mobile Service Fee – per each additional testing (note: mobile service requires Offeror to ensure same-gender professionals)	\$10 per additional client or test performed
SCRAM Remote Breath	\$6.50
FST Breath Testing	\$2

Attachment B

Locations and Services

CMS has two primary collection facilities for MDT collections in Missoula and Kalispell. Collection sites for testing performed for MDT are within 30 minutes of the work sites. CMS currently has testing facilities and locations which are currently being used for testing. CMS does not employ a mobile collection vehicle. CMS will meet all requirements of privacy, confidentiality, and chain of custody's when doing on-facility collections.

DPHHS and CFSD: CMS currently has collection facilities located within 30 minutes of the work sites listed in 1.2.5. The physical locations for DPHHS CFSD testing are located in Missoula, Polson, Kalispell, Bozeman, Havre, Great Falls, Miles City, and Sidney. CMS does not employ a mobile collection vehicle. CMS will meet all requirements of privacy, confidentiality, and chain of custody's when doing on-facility collections.

Collection and testing facilities will be acceptable by the state, and will be mutually agreed upon by the . state before CMS will make it a permanent facility for this contract. CMS will utilize state restroom facilities if the state agency requesting the test agrees to this arrangement.

DPHHS and CFSD:

Collection and testing facilities will be acceptable by the state, and will be mutually agreed upon by the state before CMS will make it a permanent facility for this contract. CMS will utilize state restroom facilities if the state agency requesting the test agrees to this arrangement.

Collection facilities will provide scheduled service Monday through Friday five days per week for a minimum of eight consecutive hours per day. Kalispell collection hours will be from 9 A.M. - 5 P.M. and Missoula collection hours will be from 8 AM. - 5 P.M. 24 hours specimen collection for post-accident, reasonable suspicion and emergency child safety needs testing on an as-needed basis. CMS has one after hours phone number (406) 529-1789 that can be utilized for all locations.

DPHHS and CFSD:

Collection facilities will provide scheduled service Monday through Friday five days per week for a minimum of eight consecutive hours per day will be available in the following locations, Missoula, Polson, Kalispell, Havre, Great Falls, Miles City, Bozeman, and Sidney. 24 hours specimen collection for emergency child safety

needs testing on an as-needed basis will only be available in Missoula and Kalispell. CMS can provide weekend collections in most areas where there is a physical office and would commit to this upon a contract commitment. CMS has one after hours phone number (406) 529-1789 that can be utilized for all locations and is staffed 24/7 365.

Collection facilities will have a temperature controlled environment and adequate waiting room will be provided. Urine sample will also be stored in a temperature controlled environment.

Missoula and Kalispell facilities have trained Breath alcohol Technicians.

Missoula, Kalispell, Polson, Great Falls, Havre, Bozeman, Miles City, and Sidney have trained employees in SCRAM remote breath alcohol and the Alco Sensor FST Breathalyzer monitoring.

Mobile services are available in Missoula and Kalispell with on-site testing. CMS does not employ a mobile collection vehicle.

On-site collections at State approved agencies may be possible on a case by case basis. CMS does not employ a mobile collection vehicle, however will perform on-site testing at a DPHHS office in most locations.

Below are a list of locations CMS can perform the testing necessary for the RFP; it is divided between MDT and DPHHS CFSD.

Missoula

Kalispell

DPHHS and CFSD:

District One:

Missoula - Full Service: SCRAM (CAM), Remote Breath, FST Breathalyzer, Urinalysis, Drug Patch,

. Oral Fluid, Hair Testing, BAT, and Urine testing.

Hamilton - Remote Service: SCRAM CAM, Remote Breath, and Drug Patch.

Superior - Remote Service: SCRAM CAM, Remote Breath, and Drug Patch. Services are typically provided on an agreed upon weekly schedule. CMS does it's best to schedule this with preference on the agency's needs.

Kalispell-Full Service: SCRAM (CAM), Remote Breath, FST Breathalyzer, Urinalysis, Drug Patch, Oral Fluid, Hair Testing, BAT, and Urine testing.

Polson- Full Service: SCRAM (CAM), Remote Breath, FST Breathalyzer, Urinalysis, Drug Patch, and Oral Fluid.

Whitefish- Full Service: SCRAM (CAM), Remote Breath, FST Breathalyzer, Urinalysis, Drug Patch, and Oral Fluid.

Thompson Falls- Remote Service: SCRAM CAM, Remote Breath, and Drug Patch.

District Two:

Butte- Remote Service: SCRAM CAM, Remote Breath, and Drug Patch.

Bozeman - Full Service: SCRAM (CAM), Remote Breath, FST Breathalyzer, Urinalysis, Drug Patch, and Oral Fluid.

Livingston- Remote Service: SCRAM CAM, Remote Breath, and Drug Patch. Services are typically provided on an agreed upon weekly schedule. CMS does it's best to schedule this with preference on the agency's needs.

Dillon- Remote Service: SCRAM CAM, Remote Breath, and Drug Patch. Services are typically provided on an agreed upon weekly schedule. CMS does it's best to schedule this with preference on the agency's needs.

District Three:

Great Falls- Full Service: SCRAM (CAM), Remote Breath, FST Breathalyzer, Urinalysis, Drug Patch, and Oral Fluid.

Havre- Full Service: SCRAM (CAM), Remote Breath, FST Breathalyzer, Urinalysis, Drug Patch, and Oral Fluid.

Shelby- Remote Service:.. SCRAM CAM, Remote Breath, and Drug Patch. Services are typically provided on an agreed upon weekly schedule. CMS does it's best to schedule this with preference on the agency's needs.

District Four:

Glasgow- Remote Service: SCRAM CAM, Remote Breath, and Drug Patch. Services are typically provided on an agreed upon weekly schedule. CMS does it's best to schedule this with preference on the agency's needs.

Baker - Remote Service: SCRAM CAM, Remote Breath, and Drug Patch.

Miles City - Full Service: SCRAM (CAM), Remote Breath, FST Breathalyzer, Urinalysis, Drug Patch, and Oral Fluid

Additional Sites:

Glendive - Remote Service: SCRAM CAM, Remote Breath, and Drug Patch. Services are typically provided on an agreed upon weekly schedule. CMS does it's best to schedule this with preference on the agency's needs.

Sidney- Full Service: SCRAM (CAM), Remote Breath, FST Breathalyzer, Urinalysis, Drug Patch, and Oral Fluid

Anaconda - Remote Service: SCRAM CAM, Remote Breath, and Drug Patch. Services are typically provided on an agreed upon weekly schedule. CMS does it's best to schedule this with preference on the agency's needs.

Conrad - Remote Service: SCRAM CAM, Remote Breath, and Drug Patch. Services are typically provided on an agreed upon weekly schedule. CMS does it's best to schedule this with preference on the agency's needs.

Cut Bank - Remote Service: SCRAM CAM, Remote Breath, and Drug Patch. Services are typically provided on an agreed upon weekly schedule. CMS does it's best to schedule this with preference on the agency's needs.

Deer Lodge - Remote Service: SCRAM CAM, Remote Breath, and Drug Patch. Services are typically provided on an agreed upon weekly schedule. CMS does it's best to schedule this with preference on the agency's needs.

Below are the physical locations of CMS locations. CMS also has limited services available in remote location which is serviced by part time employees who perform services on-site. Although full services are not available, CMS has been able to provide effective drug and alcohol testing and monitoring. .

1.) **Missoula CMS:** 2809 Great Northern Loop, Suite 200, Missoula Montana 59808 406-529-1789

Hours of Operation: 7 a.m. to 7 p.m. M-F Weekends: (open weekends for specimen collection with increased weekend hours upon contract approval)

Key Personnel:

Jodine Tarbert, CEO 406-880-2322

Jake Henry, Program Manager for Jail Alternative Programs 406-531-

5232 Joe Sickels, Toxicology Manager 406-370-5262

Tiffany Davis, Specimen Collector Community Corrections Officer/Monitoring Center Supervisor 406-493-4540

Ryley McLaughlin, Specimen Collector, Lab Technician, Community Corrections Officer 406- 529-1789

Broe Roberts, Specimen Collector, Lab Technician -406-529-

1789 2.) **Flathead CMS:** 112 3rd Street East, Kalispell, Montana

59901

Hours of Operation: 6 a.m. to 8 p.m. M-F; Weekends: (weekend collection times are available with increased weekend hours upon contract approval)

Key Personnel:

Laura Rognerud, Specimen Collector, Community Corrections Officer 406-370-

4192 Molly Kimmel, Specimen Collector, Community Corrections Officer 406-

370-5958 Barry Lavanway, Specimen Collector, Compliance Officer - 406-393-2455

3.) **Polson CMS:** 11 3rd Avenue East, Polson, Montana 59860

Hours of Operation: 8 a.m. to 5 p.m. M-F (weekend hours will be implemented upon program approval) Key Personnel:

Greg Jacobsen, Specimen Collector, Community Correction Officer 406-493-5030
Meg Sherry, Specimen Collector, Compliance Officer-406-319-2322

Joleen Clairmont, Specimen Collector, Compliance Officer - 406-319-2322
4.) **Cascade CMS:** 200 Central Avenue, Suite A Great Falls Montana 59401

Hours of Operation: 8 a.m. to 5 p.m. M-F (weekend hours will be implemented upon program approval)
Key Personnel:

Courtney Murthy, Specimen Collector, Community Correction Officer 406-531-9893
Michelle Yassin, Specimen Collector, Compliance Officer 406-315-3241

6.) **Gallatin CMS:** 502 19th Avenue, Suite 304 Bozeman, Montana 59718

Hours of Operation: 8 a.m. to 5 p.m. M-F (weekend hours will be implemented upon program approval)
Key Personnel:

John Mathias, Specimen Collector, Community Corrections Officer- 406-544-5549
5.) **Richland CMS:** 1201 West Holly St, Suite 209 Sidney Montana 59270

Hours of Operation: 8 a.m. to 5 p.m. M-F (weekend hours will be implemented upon program approval)
Key Personnel:

Raquel Kula, Specimen Collector, Community Correction Officer 406-529-1213
7.) **Custer CMS:** 1010 Main Street Miles City, Montana 59301

Hours of Operation 8 a.m. to 5 p.m. M-F (weekend hours will be implemented upon program approval)
Key Personnel:

Heather Roos, Specimen Collector, Community Corrections Officer - (406) 214-

7219 Tate Strub, Specimen Collector, Compliance Officer - (406) 370-4806

8.) **Hill CMS:** 109 2nd Street West, Havre, Montana 59501

Hours of Operation 8 a.m. to 5 p.m. M-F (weekend hours will be implemented upon program approval) Key Personnel:

Shane Huston, Specimen Collector, Community Corrections Officer